GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2899
ANSWERED ON:02.08.2002
BUSINESS IN REGIONAL SHARE MARKET
CHANDRA NATH SINGH;SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn towards the dectoning trend of business in the regional share markets/small share markets;

(b) if so, the share market-wise details of total business transacted in the regional/small share markets in each month during the last year upto July, 2002;

(c) the steps taken by the Government to keep the regional/small share markets in existence; and

(d) the details of success achieved by the Government as a result thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANT G. GEETE)

(a): The Securities and Exchange Board of India (SEBI) has intimated that SEBI has notedthat for the past few years, there has been a declining trend of business in regional and small stock exchanges. Some of the regional/small exchanges had very low or negligible or nil turnover.

(b): The share market wise details of total business transacted in regional/small share market stock in each month during last year upto June, 2002 is at Annex.

(c) & (d): SEBI has taken several steps to keep regional/small stock exchanges in existence.As one such step, the stock exchanges were allowed to form subsidiaries and become the member of larger exchanges. This facilitates them to increase their trading volumes by trading on larger exchange such as BSE/NSE. Seventeen stock exchanges have availed this route and set uptheir subsidiaries.